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P.O. Box 711 Tucson, Arizona 85702-0711

UniSource Energy services

May 1, 2015

Docket Control Arizona Corporation Commission 1200 West Washington Street Phoenix, AZ 85007

Re:

Notice of Filing - UNS Electric, Inc.'s Transmission Cost Adjustor

Docket No. E-04204A-12-0504

Pursuant to Decision No. 74235 (December 31, 2013) and the Plan of Administration for UNS Electric, Inc.'s ("UNS Electric") Transmission Cost Adjustor ("TCA"), UNS Electric hereby files its TCA rate and supporting calculation as Exhibits 1, 2 and 3. Also attached is a clean and redlined UNS Electric Statement of Charges Sheet No. 801-2 reflecting the new rate.

The new TCA rate for non-demand customers will be \$0.00475 per kWh. For demand customers, the new TCA rate will be set at \$0.1631 per kW. The rate will become effective with the first billing cycle in June (without proration), unless Staff requests Commission review or otherwise ordered by the Commission.

If you have questions or comments please contact me at (520) 884-3680.

Sincerely,

Melissa Morales Regulatory Services

cc: Barbara Keene

Compliance Section, ACC

Arizona Corporation Commission

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EXHIBIT 1

UNS Electric, Inc.
Rates for Transmission Cost Adjustor For June 1, 2015 Through May 31, 2016
Data For Period Ending December 31, 2014

	\$/kWh	(A) (B)	\$0.01066 \$2.4653	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	\$0.01066 \$2.4653	\$0.00591	\$0.00475 \$0.1631
Service Type	1/\$		Transmission Rate \$0.0	Scheduling	Regulation and Frequency			erve	Total \$0.0	Included in Retail Base Rates per OATT \$0.0	TCA (Line 7) – (Line 8) \$0.0
Line			1	2	3	4	5	9	7	8	6

Exhibit 2

UNS, ELECTRIC, INC. TRANSMISSION EXPENSE SUMMARY PERIOD ENDING DECEMBER 31, 2014

Item	Description	\$	\$/kWh
Т	TRANSMISSION	\$10,075,946	\$0.01066
All De	emand Customers	\$4,455,510	\$2.4653

UNS ELECTRIC, INC.
ALLOCATION OF TRANSMISSION REVENUE REQUIREMENT
TEST PERIOD ENDING DECEMBER 31, 2014

		LOAD RESEARCH		A	ACTUAL DEMAND		
Month	h Residential	SGS	LIGHT	MGS/LGS	LPS	Mining	TOTAL
Coincident Peak							
1/1/2014	4 1.54	1.82	0.28	109,590	14,149	•	
2/1/2014	4 1.55	1.91	0.27	131,986	14,342	ı	
3/1/2014	4 1.17	2.08	0.28	140,894	14,457	1	
4/1/2014	4 1.51	2.37	0.28	140,485	14,457	1	
5/1/2014	4 2.26	2:90	0.28	153,317	14,457	,	
6/1/2014	4 2.84	3.14	0.28	141,652	14,296	ı	
7/1/2014	3.13	3.20	0.28	149,512	14,282	ı	
8/1/2014	4 2.87	2.99	0.27	152,058	14,429	1	
9/1/2014	4 2.73	2:92	0.28	140,031	14,378	•	
10/1/2014	1.81	2.39	0.28	143,853	14,252	ì	
11/1/2014	1.34	4.13	0.26	136,939	14,224	1	
12/1/2014	4 2.07	1.78	0.27	95,025	14,224	1	
1-CP Max	3.1	4.1	0.3	153,317.3	14,457.2	1	
4-CP Max	3.1	3.2	0.3	152,057.8	14,429.2	ı	
Adjusted Sales	823,953,185	118,683,796	2,827,250	562,579,661	92,765,274		1,600,809,167
TRANSMISSION REVENUE REQUIREMENT	MENT						\$14.531.456
Transmission Revenue Requirement as \$/	ıt as \$/kWh						\$0.0091
ALLOCATION OF TRANSMISSION REVENUE REQUIREMENT	EVENUE REQUIREMENT						
Average & Excess Demand							
AED/4cp AS Demand	212,700	30,258	572	93,312	14,375		351,217
AED/4cp AS Percentage	%9:09	8.6%	0.2%	76.6%	4.1%		100.0%
Allocation of Revenue Requirement	t \$8,800,362	\$1,251,908	\$23,676	\$3,860,742	\$594,768		\$14,531,456
Rate per kWh Per Class	\$0.0107	\$0.0105	\$0.0084	\$0.0069	\$0.0064		
Rate per kW (Applicable Classes Only)	ıly)			\$2.36	\$3.46	KWH Rate	0.010657142
Check	•	•	•		•	KW Rate	2.465298161

EXHIBIT 3

UNS Electric, Inc.
Rates for Transmission Service For June 1, 2015 Through May 31, 2016
Data For Period Ending December 31, 2014

	Santa Cruz <u>Division</u>	Mohave <u>Division</u>	Total <u>Company</u>
2015 Revenue Requirements	\$5,408,485 lb	\$9,122,971	\$14,531,456
2015 Average of 12CP (MW)	55.8 9a	250.2 9h	306.0
Rates (\$/kW):			
Annual	97.00	36.46	47.49
Monthly	8.0832	3.0381	3.9574
Weekly	1.8654	0.7011	0.9133
Daily	0.3731	0.1402	0.1827
Hourly	0.0233	0.0088	0.0114

	Mohave				Santa Cruz			
Rate Base:								
Plant In Service -								
Direct	\$74,750,654	2a			\$45,834,366	2h		
Allocated	1,019,843	2b			1,135,364	21		
Capital Leases -								
Allocated	•	20			-			
Comp. Const. Not Classified -								
Allocated	83,595	2đ	75,854,093		58,311	2j	47,028,042	
Less: Accumulated Depreciation -								
Direct	(22,132,794)	2e			(13,571,020)	2k		
Allocated	(462,677)	21	(22,595,471)		(632,504)	21	(14,203,524)	
Less: Accumulated Amortization -								
Allocated	(85,771)	2.1a	(85,771)		-	2.1e	-	
Net Plant in Service			53,172,852				32,824,518	
Less: A.D.I.T	_							
Direct Plant	3,904,795	2.15			2,394,278	2.17		
Allocated Plant	50,537	2.16	(3,955,332)		48,908	2.19	(2,443,186)	
Material & Supplies - Transmission			326.328	2.1d			258,625	2.1h
Cash Working Capital (1/8 O&M Exp.)			65,450	2.3a			22,316	2.3g
Cash Working Capital (110 Cash Exp.)		-	00,400	40 - N. O.K		-	22,010	w.v.ei
Total Rate Base		=	49,609,297			=	30,662,274	
Return (ACC Decision No. 59951 - 1/97):								
L-T Debt (Rate Base X .31% wtd cost)	153,789				95,053			
S-T Debt(Rate Base X 3.11%)	1,542,849	c			953,597	e		
Common (Rate Base X 5.46%)	2,708,668	ď.	4,405,306		1,674,160	f -	2,722,810	
Operating Expenses:								
Transmission O&M			321,429	2.3b			63,411	2.3h
A&G Exp. Allocated to Transmission			202,175	2.3c			115,119	2.31
Depreciation & Amortization Expense -			202,110	2.50			110,113	20,00
Directly Assigned -	1,878,005	2.2a			1,151,524	2.2d		
Allocated	69,404	2.2b	1,947,409		78,664	2.2e	1,230,188	
Property Taxes - Directly Assigned	597,192	2.2c	1,041,400		256,128	2.2f	1,200,100	
- Allocated	7,303	2.3d	604,495		6,670	2.31	262,798	
Payroll Taxes - Directly Assigned	7,389	2.30	504,455		4,418	2.3k	202,100	
- Allocated	1,686	2.3f	9,075		374	2.31	4,792	
		_	3,084,583			_	1,676,307	
Income Taxes on Equity Returns:								
Common Equity Return	2,708,668				1,674,160			
Tax to Revenue Factor -								
[1/(137614)] X .37614 =	0.602910	_	1,633,082.80		0.602910		1,009,368	
Total Revenue Requirement		=	9,122,971	a		=	5,408,485	b

4. Plant in Coming. Discatly Assigned			<u>Mohave</u>			Santa Cruz
Plant in Service - Directly Assigned Transmission Plant		3b&a	74,750,654		31&e	45,834,366
Tanomission Flanc		*******	74,750,654	a		45,834,366
		===			=	
2. Plant in Service - Allocated Plant						
Intangible Plant, (Accts. 301-303)		3с	6,339,277		3g	-
General Plant (Accts. 389-399)		3d _	27,808,868		3h_	11,992,002
Total Intangible and General Plant			34,148,145	ı	-	11,992,002
Transmission Labor Ratio:						
Transmission Payroll Expense		4.1a	81,336		4.1d	49,872
T. 15						
Total Payroll Expense	4.1b	3,344,967	0.700.444	4.1e	571,400 _	500 700
Less: A&G Payroll Expense	4.1c _	621,526	2,723,441	4.1f	44,634	526,765
Transmission Labor Ratio		_	0.029865		=	0.094677
Intangible and General Plant			34,148,145			11,992,002
Transmission Labor Ratio			0.029865			0.094677
Intangible and General Plant Allocated to Transmission		Α_	1,019,843	b	D	1,135,364
		=			===	
3. Capital Leases - Allocated						
Vehicles		31	-		3m	•
Transmission Labor Ratio			0.029865			0.094677
Capital Leases Allocated to Transmission		8_		C	E =	-
4. Completed Const. Not Classified - Allocated						
General & Intangible Plant		3j&y	2,799,081		3n	615,899
Transmission Labor Ratio			0.029865			0.094677
Completed Const. Allocated to Transmission		€_	83,595	d	F _	58,311
		-			_	
5. Accumulated Depreciation - Directly Assigned						
Accum. Depr Cap. Recovery - Transmission		3k	16,379,922		30	10,043,569
Accum. Depr R.W.I.P Transmission Accum. Depr Acq. Discount - Transmission		3t 31	- - 750 070		3u	9 507 454
Accum. Depr Acq. Discount - Transmission		J1	5,752,872 22,132,794	a	3p _	3,527,451 13,571,020 k
		-	22,102,704		=	10,011,020
6. Accumulated Depreciation - Allocated Plant						
Accum. Depr Cap. Recovery - General Plant		3v	13,526,522		3q	5,833,034
Accum. Depr R.W.I.P General Plant		3w	640		3r	276
Accum. Depr Acq. Discount - General Plant		3x	1,964,966		3s _	847,351
		_	15,492,128			6,680,661
Transmission Labor Ratio		_	0.029865		_	0.094677
Accumulated Depreciation Allocated to Transmission		-	462,677	f	_	632,504
7. Accumulated Amortization - Allocated Plant Accum. Amort Other Intangibles		3.1c	2,871,918		3.1e	-
Account Amount Constallances		9.43			0 4 "	

Accum. Amort. - Capital Leases

Transmission Labor Ratio Accumulated Amortization Allocated to Transmission	Mohave 0.029865 85,771 a	Santa Cruz 0.094677 e
8. Accumulated Deferred Income Taxes - Direct Plant A.D.I.T Transmission Operations	5a <u>(3,904,795.32)</u> b	5b <u>(2,394,277.61)</u> f
9. Accumulated Deferred Income Taxes - Allocated Plant Intangible Plant in Service General Plant in Service Capital Leases - Vehicles Compl. Const General & Intangible	3c 6,339,277 3d 27,808,868 3i - 3j 2,799,081	3g - 3h 11,992,002 3m - 3n 615,899
·	36,947,226	12,607,901
Total Electric Plant in Service Total Capital Leases Total Compl. Const.	3A 453,934,336 3B 63,188,239 517,122,575	30 230,180,460 3E - 3F 38,849,061 269,029,521
Ratio	0.071448	0.046864
Total A.D.I.T. A.D.I.T Allocated Plant	5c (23,684,014) (1,692,168.66)	5d <u>(11,022,872)</u> (516,580)
Transmission Labor Ratio	0.029865	0.094677
A.D.I.T. Allocated to Transmission	<u>(50,537)</u> c	<u>(48,908)</u> g
10. Materials and Supplies - Transmission Materials and Supplies (Accts. 154 and 163)	6a 10,926,660	6b 2,731,665
Transmission Labor Ratio	0.029865	0.094677
M&S - Transmission	326,328 d	

2.1

11. A&G Expense Allocated to Transmission

A&G Expense (Accts. 920 - 935)	4.1g	6,769,563	4.1h	1,215,917
Transmission Labor Ratio	_	0.029865		0.094677
A&G Expense Allocated to Transmission	A	202,175	В	115,119

	<u>Mohave</u>	Santa Cruz
12. Depreciation & Amortization - Directly Assigned Plant Depreciation Expense - Transmission Plant Amortization Acq. Discount - Transmission	3.1g 2,135,207 3.1i (257,202) 1,878,005 a	3.1j 1,309,231 3.1i (157,707) 1,151,524 d
13. Depreciation & Amortization - Plant Allocated to Transmission Depreciation Expense - General Plant - 403 Amortzation Expense - Intangibles & General - 404 Amort. Acq. Discount - Other Intangtibles - 406 Amort. Acq. Discount - General Plant - 406 General Plant in Service	3.1m 924,314 3.1n 1,578,169 3.1o - 3.1p (178,589) 2,323,894 3d 27,808,868	3.1q 398,591 3.1r 509,286 3.1s
Other Intangibles Capital Leases Comp. Const General Plant	36 6,339,277 38 - 3] 2,799,081 36,947,226	3g 3E 3n 615,899 12,607,901
Average Depreciation Rate Intangible and General Plant Allocated to Transmission Capital Leases Allocated to Transmission Completed Const. Allocated to Transmission Total Plant Allocated to Transmission Depreciation & Amortization of Allocated Plant	0.062898 2A 1,019,843 2B - 2C 83,595 1,103,439 69,404 b	2D 1,135,364 2E - 2F 58,311 1,193,676 78,664 e
14. Property Taxes - Transmission Plant Property + Other Tax Expense Total Electric Plant in Service Less: Other Intangible Plant in Service Capital Leases Completed Const. not Classified Taxable Plant	4.1i 4,080,709 453,934,336 (6,339,277) 	4.1j 1,503,368 230,180,460 - - - - - - - - - - - - - - - - - - -
Average Property Tax Rate Transmission Plant	74,750,654	45,834,366
Property Tax Expense - Transmission	<u>597,192</u> ≎	256,128
15. Property Tax Expense - General Plant Allocated to Transmission Intangible and General Plant Allocated to Transmission Capital Leases Allocated to Transmission Completed Const. Allocated to Transmission Total Plant Allocated to Transmission	2A 830,519 2B - 2C 83,595 914,115	2D 1,135,364 2E - 2F 58,311 1,193,676
Average Property Tax Rate	2.2A 0.007989	2.28 0.005588

				Mohave		Santa Cruz
Property Taxes on Plant	Allocated to Transmission		-	7,303 d	30000	6,67 <u>0</u> j
16. Payroll Taxes - Transm	ission					
D 117 F				000.077	4 2 8	50.045
Payroll Tax Expense	Charged to Evange		4.1k	303,877	4.11 4.1e	50,615 571,400
Total Salaries and Wages Average Tax Rate	s Charged to Expense		4.1b	3,344,967 0.090846	**.10	0.088580
Transmission Payroll Exp	nense		4.1a	81,336	4.1d	49,872
Payroll Taxes - Transmis				7,389 ⊜		4,418 k
						
17. Payroll Taxes - A&G Pa	ayroll Allocated to Transmission	<u>on</u>				
A&G Salaries and Wages	;		4.1c	621,526	4.1f	44,634
Average Payroll Tax Rate				0.090846_		0.088580
Payroll Taxes on A&G Sa	laries and Wages		_	56,463		3,954
Transmission Labor Ratio)		_	0.029865		0.094677
A&G Payroll Taxes Alloca	ated to Transmission			1,686_		374

18. Allowance for Working	Capital					
Transmission OPM Eves	200		4 fm	224 420 %	4.1n	62 411 %
Transmission O&M Expert A&G Expense Allocated to			2.2A	321,429 b 202,175 c	2.28	63,411 h 115,119 i
Total O&M Expense - Tra			% · % 5"	523,604	5. A.W	178,530
Total State Expenses				420,001		
Working Capital Factor (1	1/8)			0.125_		0.125
Total Working Capital				65,450.45 a		22,316 g
Total Working Capital				00,400.40 u		22,010 s
19. Weighted Cost of Capit	<u>al</u>					
From Arizona Cornoration	Commission Decision No.	59951 legued 1/7/	97			
Cannot change per OATT		33331 ISSUEU 177				
ormore, and a per city	% of	Annual		Weighted		
	Total	Cost %		Cost %		
Short-term Debt	43.00%	7.23%		3.11%		
Long-term Debt	6.00%	5.08%		0.31%		
Common Stock Equity	51.00%	10.70%		5.46%		
4,						
	1.00			8.88%		
						2.3
20. Combined Federal - Sta	ate Income Tax Rate					
Federal Rate	34.00%	State Rate	5.475%			
Income Before Taxes		100.000 %				
Less: State Income Tax		(5.475) %				
Taxable for Federal		94.525 %				

		<u>Mohave</u>	Santa Cruz
Less: Federal Income Tax (.34 X 94.525 - Taxable for Fed)	(32.139) %		
Income After Taxes	62.387 %		
Total Tax Rate	37.614 %	For Rev Reg Calculation 0.37614	
		0.623865	
		0.602911	

UNS Electric 2014

Acct. No. 101, Plant in Service at 12/31/14:	<u>Mohave</u>	Santa Cruz	<u>Total</u>
Intangible Plant (Accts, 301-303) -	6,339,277 €	62	6,339,277
Production Plant (Accts, 310-346)	66,886,599	- g 42,871,522	109,758,121
Transmission Plant (Accts. 350-359)	67,876,993 🕏	41,619,689	109,736,121
Distribution Plant (Accts. 360-373)	285,022,599	133,697,247	418,719,846
General Plant (Accts. 389-399)	27,808,868 d	11,992,002	39,800,870
Total Plant in Service	A 453,934,336 D	230,180,460	684,114,796
Acct. No. 101,1 Capital Leases at 12/31/14:			
/ehicles	8 <u>-</u> i E	m	_
Acct. No. 106 Completed Const. Not Classified at	: <u>12/31/14:</u>		
ntangible Plant (Accts, 301-303) -	1,370,842		1,370,842
Production Plant (Accts. 310-346)	51,870,659	33,246,931	85,117,590
ransmission Plant (Accts. 350-359)	6,873,661 @	4,214,677 @	11,088,338
Distribution Plant (Accts. 360-373)	1,644,838	771,554	2,416,392
General Plant (Accts. 389-399)	1,428,239	615,899 n	2,044,138
Total Completed Const. Not Classified	C 63,188,239	38,849,061	102,037,300
Acct. No. 108, Accumulated Depreciation:			
Capital Recovery:			
Intangible -	-	•	-
Production	(23,875,014) y	(15,302,889)	(39, 177, 903)
Transmission	(16,379,922) 🖟	(10,043,569)	(26,423,491
Distribution	(160,620,355)	(75,343,146)	(235, 963, 501
General	(13,526,522) v	(5,833,034) 👨	(19,359,556
	(214,401,813)	(106,522,638)	(320,924,451)
R.W.I.P.:			
Intangible -	_	_	_
Production	_	_	
Transmission	- *	- u	-
Distribution	(13,411)	(6,291)	(19,702)
General	(640) ₩	(276) r	(916)
	(14, 051)	(6,567)	(20,618)
equisition Discount, net of Accum. Amortization:			
Intangible - (combined with General)			
Production	(10,549,617)	(6,761,865)	(17,311,482)
Transmission	(5,752,872)	(3,527,451)	(9, 280, 323)
Distribution	(28, 228, 872)	(13,241,485)	(41,470,357)
	(1,964,966) ×	(847,351) &	(2,812,317)
General	(1,004,000) **		
General	(46,496,327)	(24,378,152)	(70,874,479)

3

Acct. 111 Accumulated Amortization: Intangible -

(2,871,918) c (2,871,918) Production Transmission

Distribution	<u>Mohave</u>	Santa Cruz	<u>Total</u>
General	(2,871,918)		(2,871,918)
Acct. 111.1 Accum. Amortization - Cap. Leases:			
Vehicles	- d	- *	-
Acct. No. 403, Depreciation Expense:			
Intangible -	-	•	+
Production	1,955,502	1,253,395	3,208,897
Transmission	2,135,207 g	1,309,231	3,444,438
Distribution	11,195,522	5,251,550	16,447,072
General	924,314 m	398,591 q	1,322,905
	16,210,545	8,212,767	24,423,312
Acct. 404 Amortization of Utility Plant:			
Intangible -	397,160	-	397,160
Production	•	-	-
Transmission	-	-	-
Distribution	•	-	•
General	1,181,009	509,286	1,690,295
	1,578,169 n	509,286	2,087,455
Acct. 406, Amortization of Acquisition Adj:			
Intangible -	- •	- 8	-
	(102,084)	(65,432)	(167,516)
Production		(455 555)	(414, 909)
Production Transmission	(257, 202)	(157,707)	(414, 505)
	(257, 202) [§] (1,923,421)	(157,707) (902,230)	
Transmission	·		(2,825,651) (255,602)

Note	A:

Note B:

Note C:

Note D:

	updated % 01/27/15 B.Porter					Northern Southern Total Plant			100.00% 0.00% 100.00% Intangible	60.94% 39.06% 100.00% Production	61.99% 38.01% 100.00% Transmission	30.13% 100.00%								3.5						(201,662,708.62) FERC 1081	(119,281,742.33) FERC 1082	(320,924,450.95)	,			
			<u>Total</u>				109,496,682 OK	418,719,845 OK	39,800,870_OK	684,114,795			•		1,370,842 OK	85,117,590 OK	11,088,338 OK	2,416,393 OK	2,044,138_OK	102,037,299			•	(39,177,902) ok	(26,423,492) ok	(235,963,501) ok	(19,359,557) Ok	(320,924,451)		•		
updated 2/06/15 Bporter		Santa	Cruz			42,871,522	41,619,689	133,697,247	11,992,002	230,180,460			•	•	•	33,246,931	4,214,677	771,554	615,899	38,849,061			•	(15,302,889)	(10,043,569)	(75,343,146)	(5,833,034)	(106,522,638)		•	1	•
	ry Accounting		Mohave		6,339,277	66,886,599	67,876,993	285,022,599	27,808,868	453,934,336		31/14:	,	Classified at 12/31/14:	1,370,842	51,870,659	6,873,661	1,644,838	1,428,239	d 63,188,239	tion:		•	(23,875,014)	(16,379,922)	(160,620,355)	(13,526,522)	(214,401,813)			•	•
UNS Electric 2014	Data from Plant Accounting/Regulatory Accounting			Acct. No. 101, Plant in Service at 12/31/14:	Intangible Plant (Accts, 301-303)	Production Plant (Accts. 310-347)	Transmission Plant (Accts. 350-359)	Distribution Plant (Accts. 360-373)	General Plant (Accts. 389-399)	Total Plant in Service		Acct. No. 101.1, Capital Leases at 12/31/14:	Vehicles	Acct. No. 106, Completed Const. Not Classified at 12/31/14;	Intangible Plant (Accts, 301-303)	Production Plant (Accts. 310-347)	Transmission Plant (Accts, 350-359)	Distribution Plant (Accts, 360-373)	General Plant (Accts. 389-399)	Total Completed Const. Not Classified	Acct. No. 108, Accumulated Depreciation:	Capital Recovery:	Intangible	Production	Transmission	Distribution	General		R.W.I.P.:	Intangible	Production	Transmission

(20,618) Ferc 0108	(115,671,440.69) Ferc 0114 44,796,961.79 Ferc 0115 (70,874,478.90)		(2,871,918) Ferc 0111 898,662 Ferc 1112 (1,973,256) page 219 and supporting page 450.1			
Total (19,702) ok (916) ok (20,618)	NBV (17.311.482) OK (9.280.323) OK (41.470.357) OK (2.812.317) OK (70.874.479)	(391,819,548) (2,871,918) OK	(2.871,918)		3,208,897 3,444,438 16,447,073 1,322,905 24,423,313 OK	397,160 - - 1,690,295
Santa <u>Cruz</u> (6.291) (276) (6,567)	(6,761,865) (3,527,451) (13,241,485) (847,351) (24,378,152)	(130,907,357)		'	1,253,395 1,309,231 5,251,550 398,591 8,212,767	- 509,286
Mohave (13,411) (640) (14,051)	(10,549,617) (5,752,872) (28,228,872) (1,964,966) (46,496,327)	(2,871,918)	(2,871,918)		1,955,502 2,135,207 11,195,522 924,314 16,210,545	397,160
Distribution General	Acquisition Discount, net of Accum. Amortization: Acct 114/115 Intangible - (combined with General) Production (10,549,617) Transmission (5,752,872) Distribution (28,228,872) General (1,964,966)	Total Accumulated Depreciation <u>Acct, 111, Accumulated Amortization;</u> Intangible	Production Transmission Distribution General	Acct. 111.1, Accum. Amortization - Cap. Leases: Vehicles Acct. No. 403, Depreciation Expense:	Intangible Production Transmission Distribution General	Acct. 404, Amortization of Utility Plant: Intangible Production Transmission Distribution General

	<u>Mohave</u> 1,578,169	<u>Cruz</u> 509,286	<u>Total</u> 2,087,455 ok
Acct. 406, Amortization of Acquisition Adj.:	4		
Intangible - (combined with General)	•	•	•
Production	(102,084)	(65,432)	(167,516)
Transmission	(257,202)	(157,707)	(414,909)
Distribution	(1,923,421)	(902,230)	(2,825,651)
General	(178,589)	(77,013)	(255,602)
	(2,461,296)	(1,202,382)	(3,663,677) ok

Santa

UNSE Electric, Inc. OATT Date

YTD December 31, 2014									Common Costs	nor Josh								
	Total Mahana	Total Property		From Income Statement by FERC					508	808 20%				Incentive Comp				
DSSO Transal and Dispatch	-		1000	UR WEBUIL		Valencial-Santa Cruz	Adjustments	UNS Electric, Inc.	Mohave	Santa Cruz			ž	Mohave Sent	Santa Cruz	Mohave	Santa Cruz	Total
OSE4 Trees Operation Statement Control		200	2000	6.00	2,525.75	300	0.00	2,925.78	000	0.00						2 925 78	or o	4 87 900 c
OSCI TISSIPICIDES CITIZED SUDE VISION STOLEN		16.000 at	FE, 245.42	88	83	13.0	8	122,815.33	70,597.14	17,649.28						90 180 68	32,634,65	
and the control of the control		9	900	90°000°00°	83	9 9 0	30	184,569,91	0.00	000						184 056 42	643.46	
Upbs Hans-Cyemead Line	ij	900	0.00	5,217,94	6.00	9000	0.00	5,217.94	000	000						6 747 04	900	101.008.80
Upbb I lans electrony by	2 W 12 P	3.365.364.00	(9,16)	0.92	0.00	900	000	12.068.598.84	0.135	(0.03)						20.712.0	0000	30 *6.7.7.C
0566 Trans-Misc Oper Expe	32.0	2,787.30	900	4,151,59	0.00	20.0	000	7.373.41	000	000						/90,745,6/	2,261,353,97	12.058.599.84 ok
0567 Trans-Rent Exp		80	000	7.249.92	600	99 5	900	7 240 02	9	000						4,365.61	77.87.90	7.373.41 OK
0568 Trans-Maint Supv & Engr	3.50	000	900	80	000	99 J	986	000	800	3 8						7,249.92	0.00	7.249.92 ok
0570 Trans-Maint Stn Equi	5.7%	27.474.67	0.00	1,954,58	3342	900	9.00	30.401.44	000	3 8						000	000	0.00 ok
0571 Trans-Maint of OH Li	0.0	633	000	24,255.59	583	990	866	24.285.60	3 6	3 8						2,926,77	27 47 4.67	
0573 Trans-Maint Misc Trans PI	9:3	800	900	66	9	6.00	0.00	0.00	0.00	8 8						24,285.69	0.00	24.285.69 ok
Transmission O&M (Acct. 560-574)	9,906 110,71	2,307,115,32	88.246.26	148 956 51	3010.46			47 462 430 06	20 507 04	300					ı	00:0	0.00	0.00
					2000			12,455,458,40	LU 280 U	17 649 25					-	321,428.82	63,410.60	384,839.42 ok
0920 A&G Salaries	24 (20.00)	62,448,30	2.814.339.64	594,737,75	96.9	0.00	0.33	4.077.811.79	2.251.464.51	562 A66 11								
0921 Office Supplies/Expe	25 CH 25	37,630,35	38,555,58	554,538.54	2,567,84	353	000	1514036.64	470 922 69	117 730 67						9,417,659,79	652,652.41	4.054.512.20 ok - Less
0922 Adm Expense Transfrd	8	21.677.86	(1,979,046,56)	121,095,59	8	30.0	20.00	(1 826 871 97)	(1 583 237 25)	(105 800 31)						286,223,28	215,509.14	1,513 732,43 ok - Less
0923 Dutside Services	20 DOC 5.	124,662,36	2,272,211 63	155,042,85	4,727.82	93'0	000	2 570 919 84	1 817 769 30	454 442 33					_	1.462,140.56)	(364,731,41)	1826 87: 97) ok
3924 Property Insurance	CU C	15124	211,588,79	50,50	83	90.0	999	212 759 34	160 511 83	277.00						917,179.20	310,306,19	1,227 487,39 ok - Less
0925 Injuries & Damages	24-24-7	6.636.77	448,008,00	17.458.42	8	000	44.000.50	401.001.04	366.252.32	04 645 33						170,203.61	42,555.53	212,759 34 ok
0926 Pensions & Benefits	0467450	165,087,35	505,832,33	887 885 34	000	920	000	2070 183 40	ABE ABE 78	474 366 46						303,563,12	78,633,15	362.196.27 ok - Less
0928 Regulatory Commissio	8	889	900	000	920	100	3 6	7.000 .000.7	403,403.70	2000.77					,	1,752,511,92	282,524,32	2 035 036 24 ok - Less
0929 Duploate Charges-Credit	12.0 Mg. Ng.	(69.5-2.59)	000	900,000,000	000	204	000	20C 20C)	8 6	000						000	0.00	9.00
0930 General Advertising	2 2 3	96.90	195 022 081	133 425 21	880	350	886	(60,787,33)	20.00	0.00						(26,744,79)	(59,542.56)	re5,287 35) ok
0931 A&G Rents	20.060 ()	243,345	25.118.62	11.471.94	880	83	966	117 860 06	70,000,000	39,204,47						308,193.71	37,352.80	
0935 Maint of General Pla	900	000	80	000	900	999	900	00'800'	08.62.87	9.623.72						96,713,94	20,655,11	117 368.05 ok
				3	2	diver.	900		n:n	0.00						000	00.0	0.00
A&G Expenses (Acct 920-935)	1,375,117,04	459 108.24	5,256,018.76	2,359,916.97	7,295.66		11,059.66	9,468,516.33	4,213,662,74	1.053.415.68						c 700 ccs 43	4 747 040 40	
Taxes Offer Than brome															1	, 08,000,40	94.018,012,1	7,886,486,11 ok
Princety	4 00 500 000	1 200 300 00	900	4														
Pacroll	8 5 5		000	2,754,554,15	200	25	9.39	5,481,134,91	000	0.00					.,	3,998,390,91	1,482,744,00	5.481 134.91 .08
100		7,727,62	20 C 20 C	20075	3	90'3	86	354,491.72	52,182,39	13,045,60						303,876,97 %	50,614.75	354.491.72 ok
Taxes Other Than Income:	1 294 914 53	1 522 035 79	161 286 18	2 035 437 64	26 446 76	300	000	104 483.25	(P. 846.33	19,211,64					İ	82,318.22	20,624.09	102 942,31 ok - Less
					200	00.0	3	× 2**0 1 18:08	123,020,84	37,727,28						4,384,586,10	1,563,882.84	5,838,568,84
Salaries & Wages											_	Samta Cruz	Į					
Production	cc	0.00 0.00	800	142,675,31	0.00	59,728,92	90'0	211.904.23	00'0	0.00	142.575.31 6		211 804 23	000	900	147 575 24	00 300 03	200 000 000
- Indianasion	81.53b.90	49,872,44	983	0.00	0.00	980	0.99	131,208.74	0.00	000			131 208 74	00.0	00.0	81 336 30 ·	40.020.02	20 27 300 27
Destiguion	9	800000	800	1,000,610.32	800	0.00	00.00	2,066,529,77	0.00	000	2	^			C. 6 Ch	859 435 65	30 033 340	2026 100 74 000
Cuesconial Acces.		163 063.37	3.155.57	412,485,89	959	00.0	0,50	631,549.23	2,551,18	637,79			•		2 657 42	#58.477.36	186 358 48	20 10 10 10 10 10 10 10 10 10 10 10 10 10
COMMITTEE DEIVICE	6 6	900	16,719,36	163,471.58	900	00'0	0000	180,190,92	13,375,49	3,343,87	176,847.05				32.65	181 616 83	4536 32	156.153.15 000
0000		8	9	0.00	853	00'0	0.00	00:00	00.0	0.00					588	000	000	600
Colorina & Minnes Character C	20 0 17 170	13,040,61	139.483.24	390,767,57	6.00	00.0	(357,512,65)	590,406,39	(174,343,58)	(43,585,89)	560,922.67 2			•	77.027.31	621 525 73 c	4463440	386 160 23 Oc
condition a wages unarged to expense	C0.18C 812.1	520,759.50	159,491,54	2,200,130,95		68,328,92	(357,512.68)	3,811,789,28	(158,416,91)	(39,604,23)		550 484 19 3.81	3 811 789 28 83	ľ	ľ	2 344 967 49	27 100 10	
																C BL'/Od'stee'	D/1,588,176	3,810,306,88
Total	13 795 733.33	4,809,016,65	5,665,042,74	7,644,442.07	36,751,87	69.328.92	(346 453 02)	31 673 864 76					ä	Salaries & Wages Charged to Balance Sheet	Charged to Sale	Hoe Sheet		4,016,169.00
																Ferc Form 1 total	Ferd Form 1 total wages pg 355,55b Ferd Form 1 total wages pg 355,69b	3.916.367.00 99.802.00 Hits FER
	Transmission salaries are allocated based on tax percentages which were provided by the Tax Dept	s are allocated based	on tax percentages w	hich were provided b	y the Tax Dept					49								**
	and are weighted based on TRSQ locations in the companies property/personal taxes	d on TRSQ locations	in the companies pro	perty/personal taxes														*

Deferred Taxes	Total 12/31/2014		
NOL CarryForward 190 Plant Related Timing Differences - 282 (Excludes CWIP) CIAC - 190 Customer Advances - 190 Regulatory Asset/Liability Adjustments	5,596,983 (55,879,937) 6,264,874 1,543,031 1,469,090		
Total Deferred Tax Asset / (Liability	(41,005,959)		
<u>Total Plant</u> Ratio Deferred Tax Asset / (Liability) Before Transmission Ratio	Total 100% -41,005,959	Northern 67.28% -27,588,809	Southern 32.72% (13,417,150) d
<u>Transmission Plant</u> Total Transmission 101 & 106	120,585,020	74,750,654	45,834,366
Total Plant 101 & 106	784,989,226	528,140,751	256,848,475
Transmission Ratio	32.00%	14.15%	17.84%

(2,394,278)

(3,904,795)

(6,299,073)

ADIT

UNSE WAPA Payments	2014
JAN-14	1,122,796.92
FEB-14	530,103.53
MAR-14	1,043,906.97
APR-14	730,707.41
MAY-14	836,028.71
JUN-14	955,863.22
JUL-14	903,671.25
AUG-14	452,636.31
SEP-14	1,192,841.61
OCT-14	822,900.10
NOV-14	764,239.41
DEC-14	972,702.18
	10,328,397.62

UNSE - 2014 M&S and Stores Expense

Total	Mohave @ 80%	Santa Cruz @ 20%
12,199,556	9,759,644	2,439,911
1,458,769	1,167,015	291,754
13,658,325	10,926,660	a 2,731,665 b
	12,199,556 1,458,769	12,199,556 9,759,644 1,458,769 1,167,015

UNS ELECTRIC PEAK DATA - 2014

		DISTRICT				ı
Month	Santa Cruz	Kingman	Lake Havasu	Mohave County	UES Total	
Jan-14	56	95	91	186	242	
Feb-14	56	100	88	189	245	
Mar-14	40	94	78	172	212	
Apr-14	47	103	116	220	267	
May-14	66	137	150	287	353	
Jun-14	72	161	171	332	404	
Jul-14	68	164	197	361	429	
Aug-14	60	152	175	327	387	
Sep-14	60	146	166	312	372	
Oct-14	43	101	120	221	264	
Nov-14	47	91	75	166	213	
Dec-14	54	101	129	230	284	
				Total		
Max	72	164	197	361	429.0	Ma
Avg.	56	121	130	250	306.0	Αv
	a			b		

updated 2/06/15

9

Data from UNSE Daily Load Report

UNS Electric, Inc. Computation of Gross Revenue Conversion Factor

Line No.	Description	Percentage of Incremental Gross Revenues	_	Line No.
1	Gross Revenue	100.00%		1
2	Less: Uncollectible Revenue	0.34375%		2
3	Taxable Income as a Percent	99.66%		3
4	Less: Federal (31.630%) and State Income Taxes (6.968%) (Combined Effective Tax Rate = 38.598%)	39.07%		4
5	Change in Net Operating Income	60.58%		5
6	Gross Revenue Conversion Factor	1.6506	(a)	6

(a) Line No. 1 divided by line No. 5.

<u>Supporting Schedules</u> N/A		Recap Schedules A-1
SCHEDULE C-3 REFERENCES	Fed	32.735% a
	St	6.471% b
Links	Total	39.206%
Not linked to other schedules		

Source for Uncollectible Revenue = Bad Debt Expense Pro Forma adjustment. The percentage used is the average retail A/R write-off rate.

Source for tax rates = Tax Services

CLEAN Statement of Charges



UNS Electric, Inc.

Third Revised Sheet No .:	801-2

Superseding Second Revised Sheet No.: 801-2

UNS ELECTRIC STATEMENT OF CHARGES

Description	Rate	Effective Date	Decision No.
Rider R-8 Lost Fixed Cost Recovery (LFCR) Mechanism – Energy Efficiency Lost Fixed Cost Recovery (LFCR) Mechanism – Distributed Generation	0.6985% 0.1693%	Pending	Pending
Rider R-9 Transmission Cost Adjustor (TCA) – \$/kWh charge (Non-Demand) Transmission Cost Adjustor (TCA) – \$/kW charge (Demand)	\$0.00475 per kWh \$0.1631 per kW	Pending	Pending

Filed By:

Kentton C. Grant

Title:

Vice President

District:

Entire Electric Service Area

Rate:

Statement of Charges

Effective:

January 1, 2014

Decision No.:

74235

REDLINE Statement of Charges



UNS Electric, Inc.

ThirdSecond Revised	Sheet No.: 801-2
Superseding Second	Substitute First Revised Sheet
No.:	801-2

UNS ELECTRIC STATEMENT OF CHARGES

Description	Rate	Effective Date	Decision No.
Rider R-8 Lost Fixed Cost Recovery (LFCR) Mechanism – Energy Efficiency Lost Fixed Cost Recovery (LFCR) Mechanism – Distributed Generation	0.3058 <u>6985</u> % 0.2746 <u>1693</u> %	September 1, 2014Pending	74694 <u>Pending</u>
Rider R-9 Transmission Cost Adjustor (TCA) \$/kWh charge (Non-Demand) Transmission Cost Adjustor (TCA) \$/kW charge (Demand)	\$0. 001140<u>0475</u> per kWh \$0.4329 <u>1631</u> per kW	June 9, 2014 <u>Pending</u>	74235Pending

Filed By:

Kentton C. Grant

Title:

Vice President

District:

Entire Electric Service Area

Rate:

Statement of Charges

Effective:

January 1, 2014

Decision No.:

74235